

MEMORANDUM FOR: NIO/USSR
NIO/EUR
A/NIO/Econ

This is interesting.


Herbert E. Meyer

4 Nov 85

Date

THE TIMES SATURDAY NOVEMBER 2 1985

PAGE 4

Sinclair problems hit East bloc technology drive

From Roger Boyes, Warsaw

The financial problems of Sinclair Research, the British electronics company, have dealt a severe blow to Soviet bloc plans to narrow the technology gap between East and West, according to East European trade sources.

Poland started to import Sinclair personal computers in large numbers last year as part of a crash programme to keep up with the developing technical skills of the West.

Officials in the Polish Education Ministry admit privately that Poland has a basic annual need of 100,000 personal computers for distribution to schools, institutes, universities and business enterprises. Computer study has been put on the school curriculum and the authorities have removed the heavy customs duties imposed on imported computer technology.

Personal computers from Sinclair - mainly the Spectrum, the Spectrum Plus, the 48K and the QL - have been channelled through private Polish companies with Western contacts. These companies have bought in around 14,000 computers, almost all Sinclairs, over the past year and were poised to double or even treble their sales when Sinclair stumbled into its financial problems. Now they are having to angle for another, preferably British, supplier - talks are being held with Commodore UK, Polish industry sources say - but it seems that Warsaw's ambitious plans to make the country computer-literate have had to be put on the back flame.

The computers are bought for hard currency, often through dealers in West Germany and

Austria, and then sold to ministries, business agencies and individual purchasers for Polish currency. These stalties are then recycled. One company, Apina, sells Sinclairs and uses the Polish money to buy wood which is converted into garden furniture and sheds for export, at a significant profit, to the West.

Hungary, which also has a decentralized and Western-orientated economy has been introducing computers on a large scale.

The Soviet Union, though, is a potentially huge market. The possibility of Sinclair making an inroad into the Soviet market, according to well informed business sources, was discussed in a Warsaw meeting between a Sinclair representative and Mr Robert Maxwell of Pergamon Press earlier this year. However these contacts were made before the collapse of the arrangement between Mr Maxwell and the Camberley company.

The British computers - which are not included in the Nato list of strategically important technology banned from export to the Soviet bloc - are assembled in Poland and adapted to a Polish television monitor.

Many personal computers are now being imported on an individual basis by Poles, either on tourist trips or through mail order companies. The authorities are said to be somewhat alarmed about the possible political consequences - one Solidarity organizer has already been arrested after he used his computer to print illegal leaflets - but their wish to enter the computer age appears to be outweighing the doubts.